

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WISCONSIN  
AT LAW AND IN ADMIRALTY

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UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

ONE 2017 MERCEDES BENZ GLC300,  
VEHICLE IDENTIFICATION NUMBER (VIN)  
WDC0G4KB2HF189805, WITH ALL  
APPURTENANCES AND ATTACHMENTS  
THEREON,

Defendant.

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**VERIFIED COMPLAINT FOR CIVIL FORFEITURE IN REM**

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The United States of America, by its attorneys, Gregory J. Haanstad, United States Attorney for the Eastern District of Wisconsin, and Scott J. Campbell, Assistant United States Attorney for this district, alleges the following in accordance with Supplemental Rule G(2) of the Federal Rules of Civil Procedure:

**Nature of the Action**

1. This is a civil action to forfeit property to the United States of America for violations of 18 U.S.C. §§ 1343, 1956(a)(1)(B)(i), and 1957.

**The Defendant In Rem**

2. Pursuant to a state search warrant, the defendant property, one 2017 Mercedes Benz GLC300 bearing vehicle identification number WDC0G4KB2HF189805, with all appurtenances and attachments thereon (the “Defendant Mercedes”), was seized on or about July 7, 2017, from Fan Xia at or near 1501 Miller Park Way, Milwaukee, Wisconsin, as evidence in a criminal investigation and transported to the Wauwatosa Police Department.

3. On or about October 20, 2017, pursuant to a federal seizure warrant, the Defendant Mercedes was seized from the Wauwatosa Police Department by the United States Secret Service Milwaukee Financial Crimes Task Force.

4. The Defendant Mercedes is presently in the custody of the United States Secret Service in Milwaukee, Wisconsin.

5. The registered owner of the Defendant Mercedes is Fan Xia, who resides at 3XXX N. Murray Avenue, Apt. #XXX, Shorewood, Wisconsin.

### **Jurisdiction and Venue**

6. This Court has subject matter jurisdiction over an action commenced by the United States under 28 U.S.C. § 1345, and over an action for forfeiture under 28 U.S.C. § 1355(a).

7. This Court has *in rem* jurisdiction over the Defendant Mercedes under 28 U.S.C. § 1355(b).

8. Venue is proper in this district pursuant to 28 U.S.C. § 1355(b)(1), because the acts or omissions giving rise to the forfeiture occurred in this district.

### **Basis for Forfeiture**

9. The Defendant Mercedes is subject to forfeiture to the United States of America under 18 U.S.C. § 981(a)(1)(A) because it was used to facilitate the commission of, and was therefore involved in, a concealment laundering offense in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

10. The Defendant Mercedes is subject to forfeiture to the United States of America under 18 U.S.C. §§ 981(a)(1)(A) and (C), including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1) because it was purchased, at least in part, with proceeds traceable to both wire fraud

and concealment money laundering offenses, committed in violation of 18 U.S.C. § 1343 and 18 U.S.C. § 1956(a)(1)(B)(i), respectively.

11. The Defendant Mercedes is subject to forfeiture to the United States of America under 18 U.S.C. § 981(a)(1)(A) because it was the subject of, and likewise involved in, a spending money laundering transaction committed in violation of 18 U.S.C. § 1957.

### **Facts**

#### **International IRS agent-impersonation scam**

12. As a part of a cross-border IRS agent-impersonation scam, fraudsters call victims and claim to be IRS agents who seek to collect back taxes owed by the victim. The fraudsters sometimes alter their caller ID so that the fraudster's phone number appears on the victim's caller ID as originating from an IRS office. The fraudsters often target victims who are elderly or who have limited English proficiency.

13. The fraudster tells the soon-to-be victim that the victim owes taxes and that the victim must pay back taxes promptly to avoid arrest or deportation. The fraudster then instructs the victim to purchase prepaid access devices, gift cards, or other prepaid cards – such as a Target gift card – and then to provide the account numbers from those prepaid access devices or cards to the fraudster.

14. After receiving the prepaid access device or card account number from the victim, the fraudster forwards that account number to one or more coconspirators. Those coconspirators are commonly referred to as “money mules.” The money mules load the fraudulently obtained gift card account numbers onto phone apps or online sites, and then use those account numbers to purchase other “downstream” gift cards.

15. This transfer of funds from the gift card that the victim had originally purchased to other downstream gift cards allows the participants in the fraud scheme to conceal, and thereby launder, the criminal proceeds from law enforcement.

**February 3 and 4, 2017 execution of scam against victim K.T., and Fan Xia's February 4 laundering of proceeds of gift cards bought by K.T.**

16. A fraudster defrauded a victim having the initials K.T. through an IRS agent-impersonation scam of the type described in paragraphs 12 through 15.

17. On February 3 and 4, 2017, the fraudster called K.T. by phone and told K.T. that K.T. owed back taxes.

18. On February 4, 2017, at the direction of the fraudster, K.T. purchased approximately \$17,000 in Target gift cards.

19. K.T. then provided via telephone the account numbers of those Target gift cards totaling approximately \$17,000 to an unknown participant in the fraud scheme.

20. On February 4, 2017, Fan Xia exchanged some of the Target gift cards that victim K.T. had purchased on February 4, 2017, for Apple iTunes gift cards.

21. Specifically, on February 4, 2017, at 11:02 a.m., Fan Xia used the account numbers of some of the Target gift cards that victim K.T. had purchased on February 4, 2017, to purchase approximately \$2,393.16 worth of iTunes gift cards at the Target retail store located at 9777 7th Street, Pleasant Prairie, Wisconsin, within the Eastern District of Wisconsin.

22. Four still images of the person who conducted the gift card transactions on February 4, 2017, at the Pleasant Prairie Target store, as described in paragraphs 20 and 21, depict Fan Xia, along with his wife, whose initials are S.W.

**February 8, 2017 execution of scam against victim I.H., and Fan Xia's February 8 laundering of proceeds of gift cards bought by I.H**

23. A fraudster defrauded a victim having the initials I.H. through an IRS agent-impersonation scam of the type described in paragraphs 12 through 15.

24. On February 8, 2017, the fraudster called I.H. by phone and told I.H. that I.H. owed back taxes.

25. On February 8, 2017, at the direction of the fraudster, I.H. purchased approximately \$4,987 in Target gift cards.

26. I.H. then provided via telephone the account numbers of those Target gift cards totaling approximately \$4,987 to an unknown participant in the fraud scheme.

27. On February 8, 2017, Fan Xia exchanged the account numbers of the gift cards that victim I.H. had purchased on February 8, 2017, for Apple iTunes gift cards at Target stores located at 3900 North 124th Street, Wauwatosa, Wisconsin; 1250 North Port Washington Road, Grafton, Wisconsin; and N95 W17707 Shady Lane, Menomonee Falls, Wisconsin.

28. A surveillance photo from the Wauwatosa Target shows Fan Xia entering the Defendant Mercedes on February 8, 2017, after having purchased iTunes cards using the Target gift card numbers obtained from victim I.H.

**May 17, 2017 execution of scam against victim A.P., and Fan Xia's May 17 laundering of proceeds of gift cards bought by A.P.**

29. A fraudster defrauded a victim having the initials A.P. through an IRS agent-impersonation scam of the type described in paragraphs 12 through 15.

30. On May 17, 2017, the fraudster called A.P. by phone and told A.P. that A.P. owed back taxes.

31. On May 17, 2017, at the direction of the fraudster, A.P. purchased approximately \$17,000 in Target gift cards.

32. A.P. then provided the account numbers of those Target gift cards totaling approximately \$17,000 to an unknown participant in the fraud scheme via telephone.

33. One of the account numbers that victim A.P. had provided to an unknown participant in the scam was used, that same day, on May 17, 2017, to make purchases at Target stores in Waukesha and Brookfield, Wisconsin.

34. A still image from Target Corporation shows Fan Xia using that Target gift card that victim A.P. had purchased on May 17, 2017.

**June 3, 2017 execution of scam against victim M.M., and Fan Xia's June 3 laundering of proceeds of gift cards bought by M.M.**

35. A fraudster defrauded a victim having the initials M.M. through an IRS agent-impersonation scam of the type described in paragraphs 12 through 15.

36. On June 3, 2017, a fraudster called M.M. and told M.M. that M.M. owed back taxes.

37. On June 3, 2017, at the direction of the fraudster, M.M. purchased an \$800 Target gift card.

38. M.M. then provided via telephone the account number of that \$800 Target gift card to an unknown participant in the fraud scheme.

39. On June 3, 2017, Fan Xia used the account number of the \$800 Target gift card that victim M.M. had purchased on June 3, 2017, to purchase Apple iTunes gift cards at the Target store in Grafton, Wisconsin.

40. The Grafton Target store's video surveillance of that June 3, 2017 transaction showed Fan Xia as the person who had used the Target gift card number that victim M.M. had originally purchased, and victim M.M. had provided to a coconspirator in the scam, to purchase iTunes gift cards.

**July 5, 2017 execution of scam against victim T.S., and Fan Xia's July 5 laundering of proceeds of gift cards bought by T.S.**

41. A fraudster defrauded a victim having the initials T.S. through an IRS agent-impersonation scam of the type described in paragraphs 12 through 15.

42. On July 5, 2017, a fraudster called T.S. and told T.S. that T.S. owed back taxes and that T.S. needed to buy Target gift cards to pay those back taxes.

43. On July 5, 2017, at the direction of the fraudster, T.S. purchased approximately \$11,900 in Target gift cards.

44. T.S. then provided the account numbers for the approximately \$11,900 in Target gift cards to an unknown participant in the fraud scheme via telephone.

45. On July 5, 2017, Fan Xia used the account numbers of the Target gift cards that victim T.S. had purchased on July 5, 2017, to purchase Google Play and Steam gift cards at Target stores located in Brookfield and West Allis, Wisconsin.

46. Surveillance photos from the Brookfield and West Allis Target stores confirm that Fan Xia is the person who made those July 5, 2017 gift card transactions.

47. A global positioning system ("GPS") tracking device that had been placed on the Defendant Mercedes showed that Fan Xia used the Defendant Mercedes to drive to the Brookfield and West Allis Target stores on July 5, 2017, to engage in those gift card transactions.

**Identification of Fan Xia as the person who exchanged gift cards at Milwaukee-area Target stores on February 4, February 8, May 17, June 3, June 21, and July 5, 2017**

48. Surveillance photos of some of the above-described gift-card transactions at Target stores confirm that Fan Xia conducted those transactions.

49. Surveillance photos from Target parking lots also show Fan Xia entering the Defendant Mercedes after having conducted those transactions. Those photos confirm that Fan Xia was indeed the person who conducted those money laundering transactions.

50. On June 21, 2017, Fan Xia entered the Grafton Target store, used Target gift card account numbers to purchase iTunes gift cards via Fan Xia's cell phone app, exited the Grafton Target store, and entered the Defendant Mercedes.

**Fan Xia used the Defendant Mercedes to travel to Target stores**

51. On June 30, 2017, pursuant to a state warrant, a GPS tracking device was placed on the Defendant Mercedes.

52. On June 30, 2017:

- A. Fan Xia arrived in the Defendant Mercedes at the Target store located at 3900 North Mayfair Road in Wauwatosa at approximately 5:40 p.m. and left the store at approximately 6:00 p.m.
- B. Fan Xia then drove in the Defendant Mercedes directly to the Target store located at 12725 West Bluemound Road in Brookfield and entered the store.
- C. Fan Xia exited the Brookfield Target carrying a plastic shopping bag, opened the rear hatch of the Defendant Mercedes, and placed the bag in a storage compartment under the floor of the vehicle.
- D. Fan Xia then drove in the Defendant Mercedes directly to the Target store located at 2600 South 108<sup>th</sup> Street in West Allis and entered the store.
- E. Fan Xia exited the West Allis Target carrying a plastic shopping bag, opened the rear hatch of the Defendant Mercedes, and placed the bag in a storage compartment under the floor of the vehicle.

53. From June 30, 2017, through July 7, 2017, Fan Xia traveled in the Defendant Mercedes to various Milwaukee-area Target, Best Buy, and Walmart stores a total of 23 times.

54. When Fan Xia traveled to those stores in the Defendant Mercedes, he purchased iTunes, Google, and other cards using Target or other retailer gift card account numbers.



55. From June 30, 2017, through July 7, 2017, at Target stores alone, Fan Xia used approximately \$6,600 worth of Target gift card account numbers to purchase other gift cards – mainly, iTunes and Google Play cards.

56. On many of those occasions, after having purchased the gift cards, Fan Xia concealed those gift cards in the spare tire storage area of the Defendant Mercedes.

57. Between July 11, 2016, and November 17, 2016, Fan Xia purchased a total of approximately \$26,000 worth of iTunes, Google Play, and Steam cards using Walmart gift cards through the Walmart.com website.

58. During the summer of 2016, Fan Xia placed approximately 70 online orders through the Target website.

- A. Each of Fan Xia's approximately 70 online orders was for the purchase of Target gift cards.
- B. Fan Xia used Target gift cards to pay for each of the approximately 70 online orders in which he purchased Target gift cards.
- C. Each of Fan Xia's approximately 70 online orders was for an amount between approximately \$200 and \$2,000.
- D. In September 2016, Target no longer allowed customers to purchase Target gift cards with Target gift cards online.

59. Exchanging one or more gift card for other gift cards is a common way to launder criminal proceeds that had been stored on the original gift card or cards.

**July 7, 2017 arrest of Fan Xia, and searches of the Defendant Mercedes and Xia's apartment**

60. On July 7, 2017, Fan Xia arrived in the Defendant Mercedes at the Target store located 1501 Miller Park Way in West Milwaukee.

- A. Fan Xia entered the West Milwaukee Target.

- B. Fan Xia exited the West Milwaukee Target carrying a plastic shopping bag, opened the rear hatch of the Defendant Mercedes, and placed the bag in a storage compartment under the floor of the vehicle.
- C. Before Fan Xia entered the driver's side of the Defendant Mercedes, he was arrested.

61. On July 7, 2017, pursuant to a state search warrant, the Defendant Mercedes was seized as evidence and for subsequent search.

62. In the spare tire storage area of the Defendant Mercedes were gift cards that Fan Xia had purchased.

63. On July 7, 2017, officers executed a state search warrant at Fan Xia's residence, 3XXX N. Murray Avenue, Apt. #XXX, Shorewood, Wisconsin.

64. In Fan Xia's apartment were over 200 gift cards, including iTunes and Google Play cards, valued at approximately \$10,000.

65. Receipts for the over 200 gift cards show that the cards were purchased within approximately the prior two-week period.

66. The scratch-off security strip on all of the over 200 gift cards had been scratched off – a fact suggesting that the card number and the pin or access code for each card had been used or forwarded to others.

67. In Fan Xia's apartment was documentation on the December 22, 2016 purchase of the Defendant Mercedes.

68. Those vehicle purchase documents show that Fan Xia had purchased the Defendant Mercedes using \$25,000 in cash, along with a cashier's check in the amount of \$10,814.63, and credit card charges totaling \$4,000.

**July 8, 2017 interview of Fan Xia**

69. In a mirandized interview on July 8, 2017, Fan Xia stated the following:

- A. Xia is in the United States on a J1 Visa.
- B. Xia is employed at a local university.
- C. Xia lives with his wife, who is unemployed and has no source of income.
- D. Xia received gift card account numbers from individuals in India.
- E. Xia corresponded with the individuals from India via the “ICQ” phone app.
- F. Xia entered gift card account numbers onto his phone apps, and used those gift card account numbers to purchase other gift cards.
- G. Xia then sold the account numbers and pin/access codes of the other gift cards that he had purchased to an individual in China.
- H. Xia did so by texting a photograph of the back of the iTunes/Google Play card after he had first scratched off the security strip to reveal the pin/access code.
- I. The individual in China then paid Xia using Alipay.
- J. Xia then paid the individuals in India using Alipay.
- K. Xia received up to \$2,000 to \$3,000 in gift card account information per day from Xia’s source in India.
- L. Xia handled approximately \$10,000 in Target gift cards per week.
- M. Xia became involved in this scheme for additional income.

70. Alipay is a China based third-party mobile and online payment system, similar to PayPal in the United States.

**Search of two of Fan Xia’s cell phones**

71. Two of Fan Xia’s cell phones that were searched each contained over 400 pictures of multiple gift cards.

72. One of Fan Xia’s phones had approximately 2,700 deleted images of individual gift cards that were dated between September 12, 2016, and July 5, 2017.

73. Another of Fan Xia's phones had approximately 3,400 deleted images of individual gift cards that were dated between March 2017 and June 2017.
74. Fan Xia had deleted over 400 photos dated between September 12, 2016, and July 5, 2017, from his cellular phone.
75. Those over 400 deleted photos contained images of approximately 6,100 iTunes/Google Play gift cards that had a total value of approximately \$305,000.
76. The gift cards depicted in those deleted images ranged in value from approximately \$10 to more than \$100. Typically, they were \$50 gift cards.
77. ICQ serves as a message app as well as an online marketplace.
78. ICQ marketplace is often used to exchange or sell stolen personal-identification information, stolen credit card numbers, and stolen gift card numbers, and for other illegitimate purposes.
79. The ICQ app on Fan Xia's phone showed the following:
- A. In August 2016, Fan Xia stated that he could buy \$2,000 to \$3,000 per day – meaning gift cards, based on Xia's above-described conduct.
  - B. In messages from September 2016, Fan Xia received credit card numbers, expiration dates, cvv codes, and credit limits.
  - C. In September 2016, Fan Xia discussed having his Amazon and Vanilla accounts blocked – which indicates that Xia was dealing in stolen credit cards numbers and that he knew he was doing so before he purchased the Defendant Mercedes.
  - D. In a conversation in November 2016, Fan Xia looked for a Target card supplier and indicated that he has done over \$100,000 in Target cards – which indicates that Xia had been laundering a substantial amount of Target cards before the above-described 2017 gift-card transactions and before Xia had purchased the Defendant Mercedes in December 2016.
  - E. In December 2016, Fan Xia stated that he is able to do \$10,000 per day in gift cards.

- F. In multiple conversations, Fan Xia discussed that the cards he was attempting to use had been reported as stolen or were blocked, and he was unable to use them.
- G. Fan Xia mentioned that at one point he became worried, so he deleted his ICQ app.

80. Fan Xia knew that he was dealing in credit card numbers and gift card numbers that had been obtained by fraud, theft, or both.

81. Fan Xia knew that the gift card numbers referenced in paragraphs 21, 27, 33-34, 39, and 45 had been obtained by fraud or theft.

**Fan Xia's purchase of the Defendant Mercedes using proceeds of his money laundering activities**

82. On or about December 22, 2016, Fan Xia purchased the Defendant Mercedes at International Autos in West Allis, Wisconsin.

83. Fan Xia purchased the Defendant Mercedes for a list price \$46,314.63, including taxes and fees.

84. Fan Xia paid for the Defendant Mercedes as follows:

- A. Xia received \$6,500 credit for the trade-in of his 2012 Chevy Cruze.
- B. Xia charged \$2,000 on a credit card as a down payment.
- C. Xia paid \$25,000 in cash.
- D. Xia paid \$10,814.63 with a cashier's check from his Chase Bank account.
- E. Xia charged the remaining \$2,000 on a credit card.

85. At pertinent times, Fan Xia's only U.S.-based bank accounts were with Chase Bank and North Shore Bank.

86. Fan Xia held checking and savings accounts at Chase Bank and a checking account at North Shore Bank.

87. Fan Xia opened his Chase Bank savings account ending in 6871 on March 28, 2016, with a beginning balance of \$100.

88. Fan Xia opened his Chase Bank checking account ending in 0175 on March 28, 2016, with a beginning balance of \$1,600.

89. Fan Xia opened his North Shore Bank checking account ending in 9545 on May 14, 2016, with a beginning balance of \$30.

90. Between March 2, 2016, and December 22, 2016, Fan Xia received monthly income from his university salary totaling \$22,539.33, along with a May 17, 2016 payment of scholarship funds in the amount of \$5,985, for a total of \$28,524.33.

91. The following table summarizes the legitimate deposits made into the Fan Xia's Chase Bank checking account ending in 0175:

<b>Date</b>	<b>Deposit Amount</b>
04/29/16	\$2,420.79
05/17/16	\$5,985.00
06/01/16	\$2,743.56
06/30/16	\$2,895.83
08/01/17	\$2,895.83
09/01/16	\$2,895.83
09/30/16	\$2,895.83
11/01/16	\$2,895.83
12/01/16	\$2,895.83
<b>Total</b>	<b>\$28,524.33</b>

92. Fan Xia also received an insurance payment of \$3,113.85, which was deposited into his North Shore Bank checking account ending in 9545.

93. Fan Xia's total legitimate income between March 2016 and December 2016, when he purchased the Defendant Mercedes, was \$31,638.18 [ $\$28,524.33 + \$3,113.85 = \$31,638.18$ ].

94. Near the beginning of each month, Fan Xia made monthly payments of \$950 and \$75 from his Chase checking account, which were his payments for rent and an indoor parking space at his residence. This totaled \$9,225 in living expenses for housing between March 2016 and December 2016.

95. Between March 2, 2016, and December 22, 2016, Fan Xia made \$21,415 in cash deposits to his accounts.

96. The source for the \$21,415 in cash deposits was commissions Fan Xia earned for money laundering and were also therefore traceable to the underlying fraud schemes, including the IRS agent-impersonation scheme, whose criminal proceeds Xia was laundering.

97. Based on review of Xia's account records, these funds were used for various electronic payments, credit card payments, and other living expenses such as groceries and dining out.

98. Between March 2, 2016, and December 22, 2016, Fan Xia made withdrawals and payments totaling \$64,069.12, which included rent payments, credit card payments, and other living expenses.

99. Thus, Fan Xia had \$32,430.94 in expenses beyond Xia's legitimate income [ $\$64,069.12$  in total known withdrawals and payments -  $\$31,638.18$  in total deposits of known legitimate income =  $\$32,430.94$ ].

100. Fan Xia supplemented his legitimate income with commissions he earned from his money laundering activities in the underlying fraud schemes.

101. On December 16, 2016, six days before purchasing the Defendant Mercedes, the total funds on deposit in Fan Xia's Chase Bank checking and savings accounts, and his North Shore Bank checking account, totaled only \$5,687.92.

102. On December 19, 2016, Fan Xia deposited \$5,680 into his Chase Bank checking account.

103. The source for the \$5,680 cash deposit was, at least in part, commissions Fan Xia earned for money laundering and were also therefore traceable to the underlying fraud schemes, including the IRS agent-impersonation scheme, whose criminal proceeds Xia was laundering.

104. On December 22, 2016, Fan Xia withdrew \$10,814.63 from his Chase Bank checking account as a cashier's check, which was used as partial payment on the Defendant Mercedes.

105. Upon information and belief, the \$25,000 cash that Fan Xia used to buy the Defendant Mercedes on December 22, 2016, never passed through Xia's Chase Bank or North Shore Bank accounts.

106. The \$25,000 cash that Fan Xia used to buy the Defendant Mercedes on December 22, 2016, represents proceeds of his money laundering activities and of an underlying fraud scheme, the IRS agent-impersonation scheme.

107. The \$10,814.63 cashier's check and \$25,000 in cash funds that Fan Xia used to purchase the Defendant Mercedes are traceable, in whole or in part, to wire fraud, in violation of 18 U.S.C. § 1343.

108. The \$10,814.63 cashier's check and \$25,000 in cash funds that Fan Xia used to purchase the Defendant Mercedes are traceable, in whole or in part, to commissions Xia earned from money laundering, in violation of 18 U.S.C. § 1956.

109. Fan Xia's purchase of the Defendant Mercedes also constituted a spending money laundering offense in violation of 18 U.S.C. § 1957.



### **Fan Xia's State Charges**

110. On or about August 3, 2017, Fan Xia was charged in the State of Wisconsin, Milwaukee County case number 17CF3511, with two counts of theft-movable property, one count of receiving stolen property, and one count of receiving or concealing stolen property. A jury trial is scheduled for April 2, 2018.

### **Warrant for Arrest In Rem**

111. Upon the filing of this complaint, the plaintiff requests that the Court issue an arrest warrant *in rem* pursuant to Supplemental Rule G(3)(b), which the plaintiff will execute upon the Defendant Mercedes pursuant to 28 U.S.C. § 1355(d) and Supplemental Rule G(3)(c).

### **Claims filed in Administrative Forfeiture Proceeding**

112. On or about January 8, 2018, Fan Xia filed a claim to the Defendant Mercedes with the United States Secret Service in the administrative forfeiture proceeding.

### **Claim for Relief**

113. The plaintiff alleges and incorporates by reference the paragraphs above.

114. By the foregoing and other acts, the Defendant Mercedes was used to facilitate the commission of, and was therefore involved in, a concealment laundering offense in violation of 18 U.S.C. § 1956(a)(1)(B)(i).

115. By the foregoing and other acts, the Defendant Mercedes was purchased, at least in part, with proceeds traceable to both wire fraud and concealment money laundering offenses, committed in violation of 18 U.S.C. §§ 1343 and 1956(a)(1)(B)(i), respectively.

116. By the foregoing and other acts, the Defendant Mercedes was the subject of, and likewise involved in, a spending money laundering transaction committed in violation of 18 U.S.C. § 1957.

117. The Defendant Mercedes is therefore subject to forfeiture to the United States of America under 18 U.S.C. §§ 981(a)(1)(A) and (C), including cross-references to 18 U.S.C. §§ 1956(c)(7) and 1961(1).

WHEREFORE, the United States of America prays that a warrant of arrest for the defendant property, one 2017 Mercedes Benz GLC300 bearing vehicle identification number WDC0G4KB2HF189805, with all appurtenances and attachments thereon, be issued; that due notice be given to all interested parties to appear and show cause why the forfeiture should not be decreed; that judgment declare the defendant property to be condemned and forfeited to the United States of America for disposition according to law; and that the United States of America be granted such other and further relief as this Court may deem just and equitable, together with the costs and disbursements of this action.

Dated at Milwaukee, Wisconsin, this 21<sup>st</sup> day of February, 2018.

Respectfully submitted,

GREGORY J. HAANSTAD  
United States Attorney

By:

s/SCOTT J. CAMPBELL  
SCOTT J. CAMPBELL  
Assistant United States Attorney  
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E-Mail: [scott.campbell@usdoj.gov](mailto:scott.campbell@usdoj.gov)

### Verification

I, John Milotzky, hereby verify and declare under penalty of perjury that I am a Task Force Agent assigned to the United States Secret Service Milwaukee Resident Office Financial Crimes Task Force (“MFCTF”), that I have read the foregoing Verified Complaint for Civil Forfeiture *in rem* and know the contents thereof, and that the factual matters contained in paragraphs 12 through 109 of the Verified Complaint are true to my own knowledge.

The sources of my knowledge and information are the official files and records of the United States, information supplied to me by other law enforcement officers, as well as my investigation of this case, together with others, as a Task Force Agent with the MFCTF.

I hereby verify and declare under penalty of perjury that the foregoing is true and correct.

Date: 2/20/18

s/JOHN MILOTZKY  
John Milotzky  
Task Force Agent, MFCTF

## CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

Place an "X" in the appropriate box: ☐ Green Bay Division ☒ Milwaukee Division

## I. (a) PLAINTIFFS

UNITED STATES OF AMERICA

(b) County of Residence of First Listed Plaintiff \_\_\_\_\_  
(EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

Scott J. Campbell, AUSA  
US Attorney's Office, #530 Federal Building  
517 E. Wisconsin Avenue, Milwaukee, WI 53202 (414-297-1700)

## DEFENDANTS

ONE 2017 MERCEDES BENZ GLC300, VEHICLE  
IDENTIFICATION NUMBER (VIN) WDC0G4KB2HF189805

County of Residence of First Listed Defendant Milwaukee

(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF  
THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

## II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☒ 1 U.S. Government Plaintiff  
☐ 2 U.S. Government Defendant  
☐ 3 Federal Question (U.S. Government Not a Party)  
☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

## III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

	PTF	DEF		PTF	DEF
Citizen of This State	<input type="checkbox"/> 1	<input type="checkbox"/> 1	Incorporated or Principal Place of Business In This State	<input type="checkbox"/> 4	<input type="checkbox"/> 4
Citizen of Another State	<input type="checkbox"/> 2	<input type="checkbox"/> 2	Incorporated and Principal Place of Business In Another State	<input type="checkbox"/> 5	<input type="checkbox"/> 5
Citizen or Subject of a Foreign Country	<input type="checkbox"/> 3	<input type="checkbox"/> 3	Foreign Nation	<input type="checkbox"/> 6	<input type="checkbox"/> 6

## IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of Judgment <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability <input type="checkbox"/> 196 Franchise	<b>PERSONAL INJURY</b> <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury <input type="checkbox"/> 362 Personal Injury - Med. Malpractice <b>PERSONAL INJURY</b> <input type="checkbox"/> 365 Personal Injury - Product Liability <input type="checkbox"/> 367 Health Care/Pharmaceutical Personal Injury Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability <b>PERSONAL PROPERTY</b> <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC 881 <input checked="" type="checkbox"/> 690 Other <b>LABOR</b> <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 751 Family and Medical Leave Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act <b>IMMIGRATION</b> <input type="checkbox"/> 462 Naturalization Application <input type="checkbox"/> 463 Habeas Corpus - Alien Detainee (Prisoner Petition) <input type="checkbox"/> 465 Other Immigration Actions	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 <b>PROPERTY RIGHTS</b> <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark <b>SOCIAL SECURITY</b> <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIWC/DIW W (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) <b>FEDERAL TAX SUITS</b> <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS—Third Party 26 USC 7609	<input type="checkbox"/> 375 False Claims Act <input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 480 Consumer Credit <input type="checkbox"/> 490 Cable/Sat TV <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 890 Other Statutory Actions <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 896 Arbitration <input type="checkbox"/> 899 Administrative Procedure Act/Review or Appeal of Agency Decision <input type="checkbox"/> 950 Constitutionality of State Statutes
<b>REAL PROPERTY</b> <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	<b>CIVIL RIGHTS</b> <input type="checkbox"/> 440 Other Civil Rights <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 445 Amer. w/Disabilities - Employment <input type="checkbox"/> 446 Amer. w/Disabilities - Other <input type="checkbox"/> 448 Education <b>PRISONER PETITIONS</b> <input type="checkbox"/> 510 Motions to Vacate Sentence <b>Habeas Corpus:</b> <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition <input type="checkbox"/> 560 Civil Detainee - Conditions of Confinement			

## V. ORIGIN

(Place an "X" in One Box Only)

- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation

## VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):  
18 U.S.C. §§ 981(a)(1)(A) and (C)  
Brief description of cause:

## VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23 **DEMAND \$**

CHECK YES only if demanded in complaint:

**JURY DEMAND:** ☐ Yes ☒ No

## VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE \_\_\_\_\_

DOCKET NUMBER \_\_\_\_\_

DATE

SIGNATURE OF ATTORNEY OF RECORD

02/21/2018

s/SCOTT J. CAMPBELL

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT PAID BY DEBTOR: \_\_\_\_\_

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF WISCONSIN  
AT LAW AND IN ADMIRALTY

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UNITED STATES OF AMERICA,

Plaintiff,

v.

Case No.

ONE 2017 MERCEDES BENZ GLC300,  
VEHICLE IDENTIFICATION NUMBER  
(VIN) WDC0G4KB2HF189805, WITH ALL  
APPURTENANCES AND ATTACHMENTS  
THEREON,

Defendant.

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**WARRANT FOR ARREST IN REM**

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To: THE UNITED STATES SECRET SERVICE  
Eastern District of Wisconsin

WHEREAS, a Verified Complaint for Civil Forfeiture *in rem* was filed on the 21<sup>st</sup> day of February, 2018, by the United States Attorney for the Eastern District of Wisconsin, which seeks the forfeiture of the above-named defendant property pursuant to Title 18, United States Code, Sections 981(a)(1)(A) and (C), and which prays that process issue to enforce the forfeiture and to give notice to all interested parties to appear before the court and show cause why the forfeiture should not be decreed; and due proceedings being had, that the defendant property be condemned and forfeited to the use of the United States of America.

YOU ARE THEREFORE HEREBY COMMANDED to attach and arrest the defendant property, one 2017 Mercedes Benz GLC300 bearing vehicle identification number WDC0G4KB2HF189805, with all appurtenances and attachments thereon, which was seized on

or about July 7, 2017, from Fan Xia at or near 1501 Miller Park Way, Milwaukee, Wisconsin, and which is presently in the custody of the United States Secret Service in Milwaukee, Wisconsin, in the Eastern District of Wisconsin, and to detain the same until further order of this Court.

Dated this \_\_\_\_ day of \_\_\_\_\_, 2018, at Milwaukee, Wisconsin.

STEPHEN C. DRIES  
Clerk of Court

By:

\_\_\_\_\_  
Deputy Clerk

**Return**

This warrant was received and executed with the arrest of the above-named defendant.

Date warrant received: \_\_\_\_\_

Date warrant executed: \_\_\_\_\_

Name and title of arresting officer: \_\_\_\_\_

Signature of arresting officer: \_\_\_\_\_

Date: \_\_\_\_\_